

Exhibit B-1 ›

### Jefferson House Financial Forecast

#### Project Summary

Partnership Name	Urban Macomb Limited Partnership	Jefferson House
Property Location		Macomb, Illinois
# of Units		115
# of Residential Buildings		1
Projected Start Date		8/15/2003
Projected Completion Date		8/15/2003
Base Year (January 1st in year of operations commencement)		1/1/2003
# of Months of Construction		0
<b>Tax Credit Information:</b>		
Credit %	Fixed? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	3.54% May '02
Credit Allocation Amount		262,801 per 8609 filing
Difficult Development Area/QCT		100%
Low Income Percentage		93.91%
State Credit Cap		-
Tax Rate		35%
Depreciation:		
	Real Property	27.5
	Personal Property	5
	Site work	15

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#### Financing Assumptions

Permanent Loan		5,988,600
Interest Rate	Fixed? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	5.5000%
Mortgage Insurance Premium		0.5000%
Amortization		468
Term		480
Commencement Date		4/1/2002
Months in Base Year		9.00
Base Year Net Operating Income		416,692
Annual Debt Service		402,828
Base Year DSC	Cap Rate	1.034
Base Year LTV	9.00%	1.29
Developer Fee		874,410
Developer Fee Paid		859,004
Deferred Developer Fees		15,406
Repayment from Cash Flow		100.00%
Interest Rate		5.05%
Amortization		180
Term		180
Commencement		1/1/2003

## Jefferson House Financial Forecast

Sources:		Sources and Uses of Funds (for Basis Calculation)					
		Uses:	Depreciable Term	Total Expense	Capitalized Expenses	Amortized Expenses	Non-Amortized Expenses
Capital Contribution	2,048,208	Land and Building Purchase:					
Permanent Loan	5,988,600	Land Acquisition		75,000	-	-	75,000
Taxable Bond	-	Building Acc.		5,025,000	5,025,000	-	-
Seller Note	-	Demolition		-	-	-	-
Grant Financing	-	Other:		-	-	-	-
2nd Mortgage	-	Site Work:		-	-	-	-
Soft Financing #4	-	Site Work and Landscaping (15 yr.)		-	-	-	-
Deemed Capital	-	Site Work and Landscaping (27.5 yr.)		11,854	11,854	-	-
Deferred Developer Fee	15,405	Other: Offsite Work		-	-	-	-
Remaining GP Capital Account	353,368	Rehab and New Construction:		-	-	-	-
Release of Replacement Reserves	-	Rehabilitation Costs		1,243,776	1,243,776	-	-
Pledge Release	-	Accessory Buildings		-	-	-	-
Accrued Interest	-	Payment and Performance Bond		13,016	13,016	-	-
Equity Escrow Earnings	-	General Requirements	0.00%	-	-	-	-
Other	-	Builder's Overhead	1.85%	24,559	24,559	-	-
Cash from Operations	211,880	Builder's Profit	3.70%	49,118	49,118	-	-
	<u>8,618,092</u>	Construction Management		-	-	-	-
		Contingency:		-	-	-	-
		Construction Contingency	0.70%	9,305	9,305	-	-
		Soft Contingency	0.00%	-	-	-	-
		Construction and Engineering:		-	-	-	-
		Architectural Fees, Design, & MEP		60,575	60,575	-	-
		Architectural Fees Supervision		18,125	18,125	-	-
		Real Estate Legal & Accounting	480	2,923	2,923	-	-
		Landscaping		-	-	-	-
		Civil Engineering & Survey, HVAC Engineering		9,850	9,850	-	-
		Interim Costs:		-	-	-	-
		Construction Period Insurance		4,651	4,651	-	-
		Construction Interest	1	205,518	40,833	154,685	-
		Construction Loan Origination		-	-	-	-
		Inspection Fees		7,114	7,114	-	-
		Construction Advance Interest	1	-	-	-	-
		Title & Recording	480	11,378	11,378	-	-
		Lease Fees	216	-	-	-	-
		Negative Arbitrage	480	-	-	-	-
		Other		-	-	-	-
		Finance Fees and Expenses:		-	-	-	-
		Rating Agency Fees	480	-	-	-	-
		Title & Recording	480	-	-	-	-
		Origination Fee	480	79,432	-	79,432	-
		Application Fee	480	-	-	-	-
		Underwriters Fee	480	-	-	-	-
		Bond Cost of Issuance	480	413,603	-	413,603	-
		Bond, Underw. & Issuer Counsel	480	-	-	-	-
		Lender's Counsel & Processing	480	29,943	-	29,943	-
		Other	480	-	-	-	-
		Soft Costs:		-	-	-	-
		Survey		-	-	-	-
		Market Study		-	-	-	-
		Environmental Study/Soils Report		1,499	1,499	-	-
		Tax Credit Fee	180	17,865	-	17,865	-
		Apartment		14,575	14,575	-	-
		Other: Real Estate Taxes		-	-	-	-
		Other: Misc.		1,215	1,215	-	-
		Other: Contingency		-	-	-	-
		Accounting/Cost Certification	1	5,000	-	5,000	-
		Other: Legal		-	-	-	-
		Organization and Syndication:		-	-	-	-
		Legal (Org.)	60	17,500	-	-	17,500
		Legal (Syndication)		-	-	-	-
		Third Party Reports (2003)	1	2,860	-	2,860	-
		Reznick Fiedler Silverman	60	2,000	-	2,000	-
		Tax Opinion	180	2,500	-	2,500	-
		RCM Administration Fees	60	-	-	-	-
		Developer Fees:		-	-	-	-
		Developer Fees	65.78%	874,410	874,410	-	-
		Developer Overhead		-	-	-	-
		Developer Fees		-	-	-	-
		Financial Consultant	60	-	-	-	-
		Project Reserves & Other:		-	-	-	-
		Rehabilitation Reserve	22% of Projected Deficit	221,000	-	-	221,000
		HUD Required Deposits		57,930	-	-	57,930
		Marketing / Lease-up Fees	60	-	-	-	-
		MIP (1st Year Paid)		-	-	-	-
		Operating Reserve	3 Months of Op Exp	105,000	-	-	105,000
		Furniture and Fixtures:		-	-	-	-
		Personal Property	per unit cost	-	-	-	-
		Office Furniture		-	-	-	-
		Flooring		-	-	-	-
				<u>8,618,092</u>	<u>7,423,774</u>	<u>717,868</u>	<u>478,430</u>

## Actual Closing/Distribution of Funds Sources and Uses (Settlement Statement)

Sources:		
1. Capital Contribution		2,048,208
Total Sources		<u>2,048,208</u>
Uses:		
1. Admission of Provident Tax Credit Fund to Existing Partnership		
Legal Costs (Incoming Partners)		17,530
New Tax Opinion		2,500
Due Diligence Costs (Incoming Partners)		2,860
Accounting Review		2,000
Equity Loan Interest		9,131
2. Reserves		
Operating Reserves		105,000
Restabilization Reserves		221,000
3. Return of Class A Limited Partner's Capital		839,213
4. Developer Fee Paid		858,004
Total Uses		<u>2,048,208</u>
Class A Limited Partner's Capital per 2002 Audit:		827,872
Remaining Class A LP Capital Account as of 8/15/2003:		(1,341)
Actual Capital Invested by Urban in Transaction:		1,183,211
Unidentified Capital Account Transactions:		<u>346,339</u>
2001 Loss		157,385
2002 Loss		193,280
Distribution		4,564
Total		<u>365,229</u>

### Jefferson House Financial Forecast

#### Capital Contribution Schedule

Payment Date	Net Investor Equity	% of Net Equity
8/15/2003	-	0.00%
9/1/2003	-	0.00%
10/1/2003	-	0.00%
11/1/2003	-	0.00%
12/1/2003	-	0.00%
1/1/2004	2,048,208	100.00%
2/1/2004	-	0.00%
3/1/2004	-	0.00%
4/1/2004	-	0.00%
5/1/2004	-	0.00%
6/1/2004	-	0.00%
7/1/2004	-	0.00%
8/1/2004	-	0.00%
9/1/2004	-	0.00%
10/1/2004	-	0.00%
11/1/2004	-	0.00%
	<u>2,048,208</u>	<u>100.00%</u>

\$0.830 net cents per \$1.00 of tax credits.

#### Syndication Percentages

% of Ownership	
General Partners	0.010000%
SLP	0.010000%
Investor - Fund	99.9800000%
- Fund GP	0.0099980%
- Fund Investor	99.9700020%
	<u>100.0000%</u>

#### Cash Flow Distribution:

General Partners	90.0000%
SLP	0.0010%
Investor - Fund	9.9990%
- Fund GP	0.0009999%
- Fund Investor	9.9980001%
	<u>100.0000%</u>

#### Loss Allocation:

General Partners & SLP	0.0100%
Investor - Fund	99.9900%
- Fund GP	0.0099990%
- Fund Investor	99.9800010%
	<u>100.0000%</u>

#### LIHTC and Depreciation Allocation:

General Partners & SLP	0.0100%
Investor - Fund	99.9900%
- Fund GP	0.0099990%
- Fund Investor	99.9800010%
	<u>100.0000%</u>

#### Sales Proceeds Distribution:

% after return of positive capital	
General Partners	90.0000%
SLP	0.0010%
Investor - Fund	9.9990%
- Fund GP	0.00099990%
- Fund Investor	9.99800010%
	<u>100.0000%</u>

## Jefferson House Financial Forecast

## Rental Income

# of Bedrooms	AMI Level	# of Units	Maximum		Net Rent per Month	Underwritten				Rent Sq. Ft.
			Gross Rent per Month	Utility Allowance		Net Rent	Total Rent per Month	Sq. Ft. per Unit	Total Sq. Ft.	
1	0%	-	-	-	-	-	-	-	-	0.00
1	60%	92	547	28	519	618	56,856	525	48,300	1.18
1	60%	12	547	28	519	618	7,416	570	6,840	1.08
1	60%	4	547	28	519	618	2,472	575	2,300	1.07
3	0%	-	-	-	-	-	-	-	-	0.00
3	0%	-	-	-	-	-	-	-	-	0.00
4	0%	-	-	-	-	-	-	-	-	0.00
4	0%	-	-	-	-	-	-	-	-	0.00
1	MKT	8	-	-	-	618	3,708	525	3,150	1.18
1	MKT	-	-	-	-	618	-	570	-	1.08
1	MKT	1	-	-	-	618	618	575	575	1.07
4	MKT	-	-	-	-	-	-	-	-	0.00
Manager's Unit	0%	-	-	-	-	-	-	-	-	0.00

Totals	115	4,032	618	71,070	61,165
Low Income Units	108		Underwritten Annual Rental	852,840	Low Income Square Ft. 57,440

% Low Income based on Units 93.91%  
 % Low Income based on Sq. Ft. 93.91%

AMI: 48,600 McDonough County 2003  
 4 Person Very Low-Income: 24,300

## Rent-Up Schedule

Month	# of Units Rented	Pct. Physical Occupancy	Pct. Units Qualified	Rental Income	Other Income	Operating Expenses	Fed Tax Credits
01/2003	115	100%	0%	71,070	775	26,763	-
02/2003	115	100%	0%	71,070	775	26,763	-
03/2003	115	100%	0%	71,070	775	26,763	-
04/2003	115	100%	0%	71,070	775	26,763	-
05/2003	115	100%	0%	71,070	775	26,763	-
06/2003	115	100%	0%	71,070	775	26,763	-
07/2003	115	100%	0%	71,070	775	26,763	-
08/2003	115	100%	100%	71,070	775	26,763	20,564
09/2003	115	100%	100%	71,070	775	26,763	20,564
10/2003	115	100%	100%	71,070	775	26,763	20,564
11/2003	115	100%	100%	71,070	775	26,763	20,564
12/2003	115	100%	100%	71,070	775	26,763	20,564
Total/Average	115	100%	42%	852,840	9,300	321,156	102,822

01/2004	115	100%	100%	72,491	791	27,545	20,564
02/2004	115	100%	100%	72,491	791	27,545	20,564
03/2004	115	100%	100%	72,491	791	27,545	20,564
04/2004	115	100%	100%	72,491	791	27,545	20,564
05/2004	115	100%	100%	72,491	791	27,545	20,564
06/2004	115	100%	100%	72,491	791	27,545	20,564
07/2004	115	100%	100%	72,491	791	27,545	20,564
08/2004	115	100%	100%	72,491	791	27,545	20,564
09/2004	115	100%	100%	72,491	791	27,545	20,564
10/2004	115	100%	100%	72,491	791	27,545	20,564
11/2004	115	100%	100%	72,491	791	27,545	20,564
12/2004	115	100%	100%	72,491	791	27,545	20,564
Total/Average	115	100%	100%	859,897	9,486	330,540	246,772

## Income

Year of Operations Commencement	2003
Base Rental Income	852,840
1st Year Rental Income	852,840
2nd Year Rental Income	869,897
3rd Year Rental Income	887,295
HAP Rent Inflation Factor	102.00%
LIHTC Rent Inflation Factor	103.66%
Normal Inflation Factor	102.00%
Base Other Income	9,300
1st Year Other Income	9,300
2nd Year Other Income	9,486
3rd Year Other Income	9,676

Vacancy Rate 3.00%

## Expenses

Base Operating Expense	272,105
1st Year Operating Expense	321,156
Additional 1st Year Operating Expense	-
2nd Year Operating Expense	330,540
Additional 2nd Year Operating Expense	-
Inflation Factor	103.00%
Replacement Reserve / Unit	208
Base Replacement Reserve	23,954
2002 Administration Fee	-
RCM Administration Fee	7,500
Inflation Factor	3%
Administration Fee Percentage	0%
Fee Cap	12.00% of Gross Collected Revenue
Incentive Management Fee	80.00% of Gross Collected Revenue
Property Management Fee	3.00% of Gross Collected Revenue
Supplemental Management Fee (Accrue)	1.00% of Cash Flow

## Base DSC

Rental Income	852,840
Other Income	9,300
Vacancy	(25,864)
Operating Expenses	(272,105)
Management Fee	(25,088)
Real Estate Taxes	(98,436)
Replacement Reserve	(23,954)
	<u>416,692</u>
Funds Available	416,692
Mortgage Debt Service	402,828
Base DSC	<u>1.03</u>

## Illinois Real Estate Tax Data

Base Cap Rate for Tax Assessment	12.00%
Mil Rate	0.101548
Assessment Rate	33.30%
Multiplier	100.00%
Anticipated Reductions	129,663
Load	15.38153%
Assessed Value	3,156,353
Equalized Assessed Value	921,602
Base Year Taxes	98,436
Second Year Taxes	101,389
Third Year Taxes	104,431

## Base Expenses

	Per Unit Per Year	Per Sq. Ft. Per Year
Administration	28,652	249.15
Payroll	127,668	1,110.16
Utilities	54,900	477.39
Repair & Maintenance	37,525	326.30
Real Estate Taxes	98,436	855.97
Insurance	20,830	181.13
IHDA Fee	2,530	22.00
Management Fee	25,088	218.16
Replacement Reserves	23,954	208.30
Total Operating Expense	<u>419,584</u>	<u>3,648.55</u>
		<u>6.86</u>

## Jefferson House Financial Forecast

## Cash Flow Projection with Income Escalated at 2% Annually and Expenses Escalated at 3% Annually

Year	Rental Income	Vacancy	Other Income	Operating Expenses	Real Estate Taxes	Management Fee	Net Operating Income	Interest Earnings Released From Operating Reserves	Replacement Reserves	1st Mortgage Debt Service	DSC	Cash Flow
2002	-	-	-	-	-	-	-	-	-	-	-	-
2003	852,840	(25,864)	9,300	272,105	98,436	25,088	440,647	-	23,954	402,828	1.03	13,864
2004	869,897	(26,381)	9,486	280,268	101,389	25,590	445,754	-	24,673	402,580	1.05	18,501
2005	887,295	(26,909)	9,676	288,676	104,431	26,102	450,853	-	25,413	402,319	1.06	23,121
2006	905,041	(27,447)	9,869	297,336	107,564	26,624	455,939	-	26,176	402,042	1.07	27,721
2007	923,141	(27,996)	10,067	306,256	110,791	27,156	461,008	-	26,961	401,750	1.08	32,298
2008	941,604	(28,556)	10,268	315,444	114,114	27,699	466,058	-	27,770	401,441	1.09	36,848
2009	960,436	(29,127)	10,473	324,907	117,538	28,253	471,084	-	28,603	401,115	1.10	41,366
2010	979,645	(29,710)	10,683	334,655	121,064	28,819	476,081	-	29,461	400,770	1.11	45,850
2011	999,238	(30,304)	10,896	344,694	124,696	29,395	481,045	9,472	30,345	400,406	1.15	59,766
2012	1,019,223	(30,910)	11,114	355,035	128,437	29,983	485,972	9,472	31,255	400,022	1.16	64,168
2013	1,039,607	(31,528)	11,337	365,686	132,290	30,582	490,857	9,472	32,193	399,616	1.17	68,521
2014	1,060,399	(32,159)	11,563	376,657	136,258	31,194	495,695	9,472	33,158	399,186	1.18	72,822
2015	1,081,607	(32,802)	11,795	387,956	140,346	31,818	500,479	9,472	34,153	398,733	1.19	77,065
2016	1,103,239	(33,458)	12,031	399,595	144,557	32,454	505,206	9,472	35,178	398,254	1.20	81,246
2017	1,125,304	(34,127)	12,271	411,583	148,893	33,103	509,868	9,472	36,233	397,748	1.21	85,359
Totals	14,748,518	(447,280)	160,829	5,060,854	1,830,803	433,862	7,136,547	66,304	445,526	6,008,811		748,515

  

Year	Transfer (to)/from Operations *	Red Capital Admin Fee	Draw From/ (Deposit to) Operating Reserve	Cash Flow	Developer Fee	Cash Flow	Seller Loan	Supplemental Management Fee	Cash Flow	Incentive Management Fee	Cash Flow	GP Distribution	Cash Flow to LPs
2002	-	-	-	-	-	-	-	-	-	-	-	-	-
2003	-	8,000	(3,079)	2,785	2,785	-	-	-	-	-	-	-	-
2004	-	7,750	(5,644)	5,107	5,107	-	-	-	-	-	-	-	-
2005	-	7,500	(8,201)	7,420	7,420	-	-	-	-	-	-	-	-
2006	-	7,725	(10,498)	9,498	9,498	-	-	-	-	-	-	-	-
2007	-	7,957	(12,779)	11,562	11,562	-	-	-	-	-	-	-	-
2008	-	8,195	(15,042)	13,610	13,610	-	-	-	-	-	-	-	-
2009	-	8,441	(17,286)	15,639	1,413	14,226	-	14,226	-	-	-	-	-
2010	-	8,695	(19,063)	18,092	-	18,092	-	18,092	-	-	-	-	-
2011	-	8,955	-	50,811	-	50,811	-	49,257	1,554	1,243	311	155	155
2012	-	9,224	-	54,944	-	54,944	-	9,994	44,949	35,959	8,990	4,495	4,495
2013	-	9,501	-	59,020	-	59,020	-	10,194	48,826	39,061	9,765	4,883	4,883
2014	-	9,786	-	63,036	-	63,036	-	10,398	52,638	42,110	10,528	5,264	5,264
2015	-	10,079	-	66,986	-	66,986	-	10,606	56,380	45,104	11,276	5,638	5,638
2016	-	10,382	-	70,864	-	70,864	-	10,818	60,046	48,037	12,009	6,005	6,005
2017	-	10,693	-	74,666	-	74,666	-	11,034	63,631	50,905	12,726	6,363	6,363
Totals	-	132,883	(91,592)	524,040	51,395	472,645	-	144,621	328,024	262,419	65,605	32,802	32,802

## Jefferson House Financial Forecast

Projected Taxable Income/(Loss)																
	Net Operating Income	Interest Income on Escrow	Interest Income on Reserves	Interest on 1st Mortgage	MIP on 1st Mortgage	Interest on 3rd Mortgage	Interest on Deferred Developer Fee	GP Allocation of Income	RCM Admin. Fee	Supplemental Management Fee	Incentive Mgmt Fee	Depreciation	Funded Expenses	Net Income (Loss)	Upper-Tier Net Income (Loss) to Investor	Net Income (Loss) to Investor
Year																
2002	-	-	-	246,419	22,331	-	-	-	-	-	-	271,526	-	-	-	-
2003	440,647	-	3,135	326,357	29,541	-	28,341	-	8,000	-	-	270,887	34,316	(253,659)	(108,220)	(108,209)
2004	445,754	-	7,730	323,709	29,293	-	2,069	-	7,750	-	-	270,503	14,665	(194,505)	(194,486)	(194,466)
2005	450,853	-	8,498	320,913	29,031	-	1,915	-	7,500	-	-	270,503	14,665	(185,176)	(185,158)	(185,139)
2006	455,939	-	9,348	317,958	28,754	-	1,637	-	7,725	-	-	270,216	14,665	(175,669)	(175,651)	(175,634)
2007	461,008	-	10,277	314,837	28,462	-	1,240	-	7,957	-	-	294,669	14,665	(190,546)	(190,527)	(190,508)
2008	466,058	-	8,811	311,540	28,153	-	719	-	8,195	-	-	309,513	14,465	(197,718)	(197,698)	(197,678)
2009	471,084	-	9,852	308,057	27,827	-	68	-	8,441	14,226	-	293,679	14,265	(185,629)	(185,611)	(185,592)
2010	476,081	-	10,975	304,378	27,483	-	-	-	8,695	18,092	-	284,179	14,265	(170,036)	(170,019)	(170,002)
2011	481,045	-	12,174	300,491	27,119	-	-	-	8,955	49,257	1,243	284,179	14,265	(192,290)	(192,271)	(192,251)
2012	485,972	-	12,844	296,384	26,734	-	-	-	9,224	9,994	35,959	307,648	14,265	(201,393)	(201,373)	(201,353)
2013	490,857	-	10,486	292,046	26,328	-	-	-	9,501	10,194	39,061	318,879	14,265	(208,931)	(208,910)	(208,889)
2014	495,695	-	11,160	287,464	25,899	-	-	-	9,786	10,398	42,110	299,299	14,265	(182,366)	(182,348)	(182,330)
2015	500,479	-	11,867	282,623	25,445	-	-	-	10,079	10,606	45,104	287,551	14,265	(163,327)	(163,310)	(163,294)
2016	505,206	-	12,608	277,508	24,966	-	-	-	10,382	10,818	48,037	287,551	14,265	(155,713)	(155,698)	(155,682)
2017	509,868	-	13,385	272,106	24,481	-	-	-	10,693	11,034	50,905	314,248	14,265	(174,459)	(174,442)	(174,424)
Totals	7,136,547	-	153,152	4,782,791	409,494	-	35,989	-	132,883	144,621	262,419	4,635,031	235,832	(2,831,417)	(2,685,720)	(2,685,451)

## Jefferson House Financial Forecast

## Benefits Schedule

Year	Capital Contributions Date	Contributions Amount	Net Income/ (Loss)	Tax Savings (Expense)	Annual Federal Tax Credits	Annual State Tax Credits	Total Tax Savings (Expense)	Cash Flow	Annual Benefit from Partnership	Cumulative Benefit	Cumulative Net Investment
2002	*		-	-			-	-	-	-	-
2003	**	2,048,208	(108,209)	37,873	102,822	-	140,695	-	140,695	140,695	1,939,999
2004	***	-	(194,505)	68,077	246,772	-	314,849	-	314,849	455,544	1,745,493
2005			(185,176)	64,812	246,772	-	311,584	-	311,584	767,127	1,560,317
2006			(175,669)	61,484	246,772	-	308,256	-	308,256	1,075,383	1,384,648
2007			(190,546)	66,691	246,772	-	313,463	-	313,463	1,388,846	1,194,102
2008			(197,718)	69,201	246,772	-	315,973	-	315,973	1,704,820	996,385
2009			(185,629)	64,970	246,772	-	311,742	-	311,742	2,016,562	810,756
2010			(170,036)	59,512	246,772	-	306,284	-	306,284	2,322,846	640,720
2011			(192,290)	67,301	246,772	-	314,073	155	314,229	2,637,075	448,430
2012			(201,393)	70,488	246,772	-	317,260	4,495	321,755	2,958,830	247,037
2013			(208,931)	73,126	143,950	-	217,076	4,883	221,959	3,180,789	38,106
2014			(182,366)	63,828	-	-	63,828	5,264	69,092	3,249,880	(144,260)
2015			(163,327)	57,164	-	-	57,164	5,638	62,802	3,312,683	(307,587)
2016			(155,713)	54,500	-	-	54,500	6,005	60,504	3,373,187	(463,300)
2017			(174,459)	61,061	-	-	61,061	6,363	67,424	3,440,611	(637,759)
Totals		2,048,208	(2,685,967)	940,088	2,467,720	-	3,407,808	32,802	3,440,611	3,440,611	(637,759)

## Capital Account Analysis

Total Capital Contributions	\$ 2,048,208
Beginning Capital Bal.	\$ 2,048,208
Less:	
Tax Losses	\$ (2,685,967)
Cash Flow	
Ending Capital Account	\$ (637,759)
Assumed Write-off	Tax Rate 35.0%
	\$ (223,216) (1)

(1) The Capital Account does not include any positive cash flow to the investors.

## Capital Contribution Schedule

**	8/15/2003	\$ -
**	9/1/2003	\$ -
**	10/1/2003	\$ -
**	11/1/2003	\$ -
**	12/1/2003	\$ -
**	1/1/2004	\$ 2,048,208
***	2/1/2004	\$ -
***	3/1/2004	\$ -
***	4/1/2004	\$ -
***	5/1/2004	\$ -
***	6/1/2004	\$ -
***	7/1/2004	\$ -
***	8/1/2004	\$ -
***	9/1/2004	\$ -
***	10/1/2004	\$ -
***	11/1/2004	\$ -
		\$ 2,048,208



## Jefferson House Financial Forecast

### Quarterly Internal Rate of Return

Quarterly W/O Cash Effective IRR						11.67%
Year	Quarter	Capital Contribution	Low Income Housing Tax Credits	State Housing Tax Credits	Tax Savings (Expense)	Net Benefit
2002	1st	-	-	-	-	-
	2nd	-	-	-	-	-
	3rd	-	-	-	-	-
	4th	-	-	-	-	-
2003	1st	-	-	-	-	-
	2nd	-	-	-	-	-
	3rd	-	51,411	-	18,937	70,347
	4th	-	51,411	-	18,937	70,347
2004	1st	(2,048,208)	61,693	-	17,019	(1,969,495)
	2nd	-	61,693	-	17,019	78,712
	3rd	-	61,693	-	17,019	78,712
	4th	-	61,693	-	17,019	78,712
2005	1st	-	61,693	-	16,203	77,896
	2nd	-	61,693	-	16,203	77,896
	3rd	-	61,693	-	16,203	77,896
	4th	-	61,693	-	16,203	77,896
2006	1st	-	61,693	-	15,371	77,064
	2nd	-	61,693	-	15,371	77,064
	3rd	-	61,693	-	15,371	77,064
	4th	-	61,693	-	15,371	77,064
2007	1st	-	61,693	-	16,673	78,366
	2nd	-	61,693	-	16,673	78,366
	3rd	-	61,693	-	16,673	78,366
	4th	-	61,693	-	16,673	78,366
2008	1st	-	61,693	-	17,300	78,993
	2nd	-	61,693	-	17,300	78,993
	3rd	-	61,693	-	17,300	78,993
	4th	-	61,693	-	17,300	78,993

## Jefferson House Financial Forecast

### Quarterly Internal Rate of Return

<u>Quarterly W/O Cash Effective IRR</u>						<u>11.67%</u>
Year	Quarter	Capital Contribution	Low Income Housing Tax Credits	State Housing Tax Credits	Tax Savings (Expense)	Net Benefit
2009	1st		61,693		16,243	77,936
	2nd		61,693		16,243	77,936
	3rd		61,693		16,243	77,936
	4th		61,693		16,243	77,936
2010	1st		61,693		14,878	76,571
	2nd		61,693		14,878	76,571
	3rd		61,693		14,878	76,571
	4th		61,693		14,878	76,571
2011	1st		61,693		16,825	78,518
	2nd		61,693		16,825	78,518
	3rd		61,693		16,825	78,518
	4th		61,693		16,825	78,518
2012	1st		61,693		17,622	79,315
	2nd		61,693		17,622	79,315
	3rd		61,693		17,622	79,315
	4th		61,693		17,622	79,315
2013	1st		35,988		18,281	54,269
	2nd		35,988		18,281	54,269
	3rd		35,988		18,281	54,269
	4th		35,988		18,281	54,269
2014	1st		-		15,957	15,957
	2nd		-		15,957	15,957
	3rd		-		15,957	15,957
	4th		-		15,957	15,957
2015	1st		-		14,291	14,291
	2nd		-		14,291	14,291
	3rd		-		14,291	14,291
	4th		-		14,291	14,291

## Jefferson House Financial Forecast

### Quarterly Internal Rate of Return

<u>Quarterly W/O Cash Effective IRR</u>						<u>11.67%</u>
Year	Quarter	Capital Contribution	Low Income Housing Tax Credits	State Housing Tax Credits	Tax Savings (Expense)	Net Benefit
2016	1st		-		13,625	13,625
	2nd		-		13,625	13,625
	3rd		-		13,625	13,625
	4th		-		13,625	13,625
2017	1st		-		15,265	15,265
	2nd		-		15,265	15,265
	3rd		-		15,265	15,265
	4th		-		15,265	15,265
2018	1st		-		(223,216)	(223,216)
	2nd		-			-
	3rd		-			-
	4th		-			-
2019	1st					-
		(2,048,208)	2,467,720		716,873	1,136,385

## Jefferson House Financial Forecast

	1	2	3	4	5	6	
	Acquisition					Date-Certain	
	8/15/2003	9/1/2003	10/1/2003	11/1/2003	12/1/2003	2,048,208	5/1/2006
						1/1/2004	
Equity Installments							
Buildings Placed In Service	1	1	1	1	1	1	Totals
Equity	-	-	-	-	-	2,048,208	2,048,208
Bond Proceeds	5,988,600	-	-	-	-	-	5,988,600
Permanent Loan Proceeds	-	-	-	-	-	-	-
Construction Loan Draws	-	-	-	-	-	-	-
Remaining GP Capital Contributed	353,998	-	-	-	-	-	353,998
Seller Note	-	-	-	-	-	-	-
Soft Financing #4	-	-	-	-	-	-	-
Equity Line of Credit	2,048,208	-	-	-	-	(2,048,208)	-
Grant Financing	-	-	-	-	-	-	-
Accrued Interest	-	-	-	-	-	-	-
Release of Replacement Reserves	-	-	-	-	-	-	-
Rehabilitation Deposit Escrow Earnings	-	-	-	-	-	-	-
FNMA Escrow Earnings	-	-	-	-	-	-	-
Net Operating Income	211,880	-	-	-	-	-	211,880
Total Sources	8,602,686	-	-	-	-	-	8,602,686
Total Uses	8,602,686	-	-	-	-	-	8,602,686
Variance in Sources and Uses	-	-	-	-	-	-	-
Uses:	1,655,145	100.00%	0.00%	0.00%	0.00%	0.00%	100.00%
Construction Costs	1,655,145	-	-	-	-	-	1,655,145
Funded Reserves	326,000	-	-	-	-	-	326,000
Construction Closing Costs	-	-	-	-	-	-	-
Capital to GP, Class A LP, and Dev Fee	859,004	-	-	-	-	-	859,004
Acquisition Costs	5,753,406	-	-	-	-	-	5,753,406
Construction Debt Interest	9,131	-	-	-	-	-	9,131
	8,602,686	-	-	-	-	-	8,602,686
Interest on Seller Note	10.00%	-	-	-	-	-	0
Interest on Equity Bridge Line of Credit	1.17%	1,117	2,003	2,003	2,003	2,003	9,131
Interest Expense on Construction Loan	2.50%	-	-	-	-	-	0
Total Construction Interest	-	1,117	2,003	2,003	2,003	2,003	9,131
Equity Bridge Line of Credit	2,048,208	-	-	-	-	-	-
Less Current Draws/Plus Repayments	(2,048,208)	-	-	-	-	2,048,208	-
Available Balance	-	-	-	-	-	2,048,208	-
Interest Costs	1,117	2,003	2,003	2,003	2,003	-	9,131
1.1738%	-	-	-	-	-	-	-
Net Construction Interest	1,117	2,003	2,003	2,003	2,003	-	-
Capitalized	-	-	-	-	-	-	-
Expensed	1,117	2,003	2,003	2,003	2,003	-	-

### Jefferson House Financial Forecast

Permanent Loan Amortization						
Permanent Loan						
Principal		5,988,600		Mortgage Insurance Premium	0.5%	
Rate		5.500%				
Term		480				
Amortization		468				
Start Date		04/01/02				
Months Remaining		9.00				
Monthly Payment		31,107				
Year	Payment of Principal & Interest	Principal	Interest	MIP	Ending Balance	Mortgage Balance at Sale
2002	279,966	33,546	(246,419)	(22,331)	5,955,054	
2003	373,288	46,931	(326,357)	(29,541)	5,908,122	
2004	373,288	49,578	(323,709)	(29,293)	5,858,544	
2005	373,288	52,375	(320,913)	(29,031)	5,806,169	
2006	373,288	55,329	(317,958)	(28,754)	5,750,840	
2007	373,288	58,450	(314,837)	(28,462)	5,692,389	
2008	373,288	61,747	(311,540)	(28,153)	5,630,642	
2009	373,288	65,231	(308,057)	(27,827)	5,565,411	
2010	373,288	68,910	(304,378)	(27,483)	5,496,501	
2011	373,288	72,797	(300,491)	(27,119)	5,423,704	
2012	373,288	76,903	(296,384)	(26,734)	5,346,801	
2013	373,288	81,241	(292,046)	(26,328)	5,265,559	
2014	373,288	85,824	(287,464)	(25,899)	5,179,735	
2015	373,288	90,665	(282,623)	(25,445)	5,089,070	
2016	373,288	95,779	(277,508)	(24,966)	4,993,291	
2017	373,288	101,182	(272,106)	(24,461)	4,892,109	
1900	373,288	106,890	(266,398)	(23,926)	4,785,219	4,785,219

### Jefferson House Financial Forecast

Totals

6,252,570	1,203,381	(5,049,189)	(455,752)	4,785,219
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## Jefferson House Financial Forecast

### Deferred Developer Fees Amortization

#### Deferred Developer Fees

Principal 874,410  
 Rate 5.05%  
 Amortization 180  
 Start Date 01/01/03  
 Months in 1st Year 12.00  
 Advance Payment -

Year	Available Cash Flow	Payment from Cash Flow	Payment from Capital Transaction	Principal	Calculated Interest	Paid Interest	Accrued Interest	Ending Balance
2001								874,410
2002	-	-		-		-	-	874,410
2003	2,785	2,785	859,004	833,448	28,341	28,341	-	40,962
2004	5,107	5,107		3,038	2,069	2,069	-	37,924
2005	7,420	7,420		5,505	1,915	1,915	-	32,419
2006	9,498	9,498		7,861	1,637	1,637	-	24,558
2007	11,562	11,562		10,322	1,240	1,240	-	14,236
2008	13,610	13,610		12,891	719	719	-	1,345
2009	15,639	1,413		1,345	68	68	-	-
2010	18,092	-		-	-	-	-	-
2011	50,811	-		-	-	-	-	-
2012	54,944	-		-	-	-	-	-
2013	59,020	-		-	-	-	-	-
2014	63,036	-		-	-	-	-	-
2015	66,986	-		-	-	-	-	-
2016	70,864	-		-	-	-	-	-
2017	74,666	-		-	-	-	-	-
Total	524,040	51,395		874,410	35,989	35,989	-	-

## Jefferson House Financial Forecast

### Replacement Reserve Schedule

	Beginning Balance	Deposits	Transfers	2.00% Interest	Withdrawals	Ending Balance
2002		-				18,000
2003	18,000	23,954		600		42,554
2004	42,554	24,673		1,098		68,325
2005	68,325	25,413		1,621		95,359
2006	95,359	26,176		2,169		123,703
2007	123,703	26,961		2,744	123,703	29,705
2008	29,705	27,770		872		58,346
2009	58,346	28,603		1,453		88,402
2010	88,402	29,461		2,063		119,925
2011	119,925	30,345		2,702		152,972
2012	152,972	31,255		3,372	152,972	34,627
2013	34,627	32,193		1,014		67,834
2014	67,834	33,158		1,688		102,681
2015	102,681	34,153		2,395		139,229
2016	139,229	35,178		3,136		177,544
2017	177,544	36,233		3,913	177,544	40,146
Totals		445,526	-	30,839	454,219	



## Jefferson House Financial Forecast

### Restabilization Reserve & Operating Reserve Schedule

Restabilization Reserve	221,000
Operating Reserve	105,000
Total Reserves	<u>326,000</u>
Rate	2.00%
Initial Deposit Month	8/15/2003

Year	Beginning Balance	Deposits	Transfers	2.00% Interest	Withdrawals	Ending Balance	Total Aggregate Target Balance
2002						-	326,000
2003	326,000	3,079		2,536	-	331,614	344,500
2004	331,614	5,644		6,632	-	343,891	363,000
2005	343,891	8,201		6,878	-	358,969	381,500
2006	358,969	10,498		7,179	-	376,647	400,000
2007	376,647	12,779		7,533	-	396,959	418,500
2008	396,959	15,042		7,939	-	419,940	437,000
2009	419,940	17,286		8,399	-	445,625	455,500
2010	445,625	19,063		8,912	-	473,600	473,600
2011	473,600	-		9,472	(9,472)	473,600	473,600
2012	473,600	-		9,472	(9,472)	473,600	473,600
2013	473,600	-		9,472	(9,472)	473,600	473,600
2014	473,600	-		9,472	(9,472)	473,600	473,600
2015	473,600	-		9,472	(9,472)	473,600	473,600
2016	473,600	-		9,472	(9,472)	473,600	473,600
2017	473,600	-		9,472	(9,472)	473,600	473,600
Totals		<u>91,592</u>	<u>-</u>	<u>122,312</u>	<u>(66,304)</u>		<u>473,600</u>

## Jefferson House Financial Forecast

### Calculation of Tax Credit

	Acquisition Credit	Improvement Credit
Depreciable Basis		7,423,774
Less:		
Building Acquisition	5,025,000	5,025,000
Grant Financing		
Eligible Basis Before Adjustment	5,025,000	2,398,774
LIH Percentage	93.91%	93.91%
	4,718,973	2,252,687
Difficult Development Area/QCT	100%	100%
Basis for LIH Credit	4,718,973	2,252,687
LIH Credit Percentage	3.54%	3.54%
LIH Credit Calculation	167,052	246,797
Credit Allocation Amount		262,801
Minimum of Allocation or Calculation		246,797
Percentage of Tax Credits to the Investor		99.9900%
Annual Tax Credits to the Investor		246,772
Tax Credits Per Unit Per Month		178.82



## Jefferson House Financial Forecast

### Depreciation Schedule

	Total	Acq	Imprvmts	Cumulative Buildings (Improvements) In Service	
Real Property (27.5)	7,411,920	5,025,000	2,386,920	2001	2002
Site Work (15 Yr.)	-	-	-	1st Quarter	1
Site Work (27.5 Yr.)	11,854		11,854	2nd Quarter	1
Personal Property/Equipment (5 Yr.)	4,991	4,991	-	3rd Quarter	1
Office Equipment (7 Yr.)	-		-	4th Quarter	1
Flooring (5 Yr.)	-		-		
	<u>7,428,765</u>	<u>5,029,991</u>	<u>2,398,774</u>	2003	2004
				1st Quarter	1
				2nd Quarter	1
				3rd Quarter	1
				4th Quarter	1
	2007	2012	2017		
Replacement Reserves	123,703	152,972	177,544		
Capital Improvements	-	-	-		

  

Year	Real Property & Site work 27.5 SL	Site work 15 yr.	Personal Property 5 yr.	Flooring 5 yr.	Office Equipment 7 yr.	Replacement Reserves 5 yr.	Replacement Reserves 5 yr.	Replacement Reserves 5 yr.
2001	113,849	0	998	0	0			
2002	269,928	0	1597	0	0			
2003	269,928	0	958	0	0			
2004	269,928	0	575	0	0			
2005	269,928	0	575	0	0			
2006	269,928	0	287	0	0			
2007	269,928	0	0	0	0	24,741		
2008	269,928	0	0	0	0	39,585		
2009	269,928	0	0	0	0	23,751		
2010	269,928	0	0	0	0	14,251		
2011	269,928	0	0	0	0	14,251		
2012	269,928	0	0	0	0	7,125	30,594	
2013	269,928	0	0	0	0	0	48,951	
2014	269,928	0	0	0	0	0	29,371	
2015	269,928	0	0	0	0	0	17,622	
2016	269,928	0	0	0	0	0	17,622	
2017	269,928	0	0	0	0	0	8,811	35,509

### Jefferson House Financial Forecast

2018	269,928	0	0	0	0	0	56,814
Totals	4,702,632	-	4,991	-	-	123,703	152,972
							92,323

## Jefferson House Financial Forecast

## 704(B) Analysis

Year	Asset Value	Depreciation	Net Asset Value	Permanent Loan Balance	Taxable Bond Balance	Seller Note Balance	2nd Mortgage Balance	Cash Flow	Minimum Gain	Change in Minimum Gain	Carryover Minimum Gain	Maximum Loss Allowed	Equity Investment	Annual Taxable Loss/(Income)	Lower Tier Capital Account Balance	Potential Reallocation
2003	7,498,774	(270,887)	7,227,887	5,908,122	-	-	-	-	-	-	-	-	-	253,659	-	-
2004	7,522,728	(541,390)	6,981,338	5,858,544	-	-	-	-	-	-	-	-	2,048,208	194,506	1,600,043	-
2005	7,547,401	(811,893)	6,735,508	5,806,169	-	-	-	-	-	-	1,600,043	1,600,043	2,048,208	185,176	1,414,867	-
2006	7,572,815	(1,082,109)	6,490,705	5,750,840	-	-	-	-	-	-	1,414,867	1,414,867	2,048,208	175,669	1,239,198	-
2007	7,598,990	(1,376,778)	6,222,212	5,692,389	-	-	-	-	-	-	1,239,198	1,239,198	2,048,208	190,546	1,048,652	-
2008	7,625,951	(1,686,292)	5,939,659	5,630,542	-	-	-	-	-	-	1,048,852	1,048,852	2,048,208	197,718	850,935	-
2009	7,653,721	(1,979,971)	5,673,750	5,565,411	-	-	-	-	-	-	850,935	850,935	2,048,208	185,629	665,305	-
2010	7,682,324	(2,264,150)	5,418,173	5,496,501	-	-	-	-	78,312	78,312	665,305	743,618	2,048,208	170,036	495,270	-
2011	7,711,785	(2,548,329)	5,163,455	5,423,704	-	-	-	155	260,197	181,885	573,582	755,467	2,048,208	192,290	302,825	-
2012	7,742,129	(2,855,977)	4,886,152	5,346,801	-	-	-	4,495	460,557	200,360	563,022	763,381	2,048,208	201,393	96,936	-
2013	7,773,384	(3,174,857)	4,598,527	5,265,559	-	-	-	4,883	666,899	208,342	557,493	763,835	2,048,208	208,931	(118,877)	-
2014	7,805,577	(3,474,156)	4,331,421	5,179,735	-	-	-	5,264	848,145	181,246	550,021	731,267	2,048,208	182,366	(304,507)	-
2015	7,838,736	(3,761,707)	4,077,029	5,089,070	-	-	-	5,638	1,011,839	163,694	543,637	707,332	2,048,208	163,327	(473,472)	-
2016	7,872,889	(4,049,258)	3,823,631	4,993,291	-	-	-	8,005	1,169,426	157,587	538,367	695,954	2,048,208	155,713	(635,190)	-
2017	7,908,067	(4,363,506)	3,544,561	4,892,109	-	-	-	6,363	1,347,278	177,853	534,236	712,088	2,048,208	174,459	(816,012)	-
2018	7,944,300	(4,690,248)	3,254,051	4,785,219	-	-	-	-	1,530,881	183,583	531,268	714,849	2,048,208	-	(818,012)	-

Assets		Debt	
Land	75,000	Capital Contribution	
Building	7,423,774	Permanent Loan	5,988,600
		Taxable Bond	-
		Seller Note	-
Net Assets	<u>7,498,774</u>	2nd Mortgage	-
Annual Replacement Reserves	23,954	Total Non-Recourse Debt	<u>5,988,600</u>

Limited Partner Interest 99.9800001%